

OLASOV + HOLLANDER  
Rachel L. Hollander  
1325 Avenue of the Americas  
27<sup>th</sup> Floor  
New York, New York 10019  
Telephone: 212-763-8416  
Facsimile: 212-763-8414

Hearing Date: February 9, 2010  
Hearing Time: 3:00 p.m.

CALLISTER NEBEKER & McCULLOUGH  
T. Richard Davis  
Carolyn Montgomery  
10 East South Temple, Suite 900  
Salt Lake City, UT 84133  
Telephone: (801) 530-7300  
Facsimile: (801) 364-9127  
[Admission Pro Hac Vice Pending]

*Attorneys for Zions Credit Corporation*

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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In re:

MESA AIR GROUP, INC., *et al.*,

Chapter 11

Case No. 10-10018 (MG)

(Jointly Administered)

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**ZIONS CREDIT CORPORATION'S OBJECTION TO DEBTORS' MOTION  
FOR ORDER PURSUANT TO SECTIONS 105, 363, 365, 554, AND 1110 OF THE  
BANKRUPTCY CODE AND BANKRUPTCY RULES 6004, 6006, AND 6007 FOR  
(I) AUTHORIZATION TO (A) REJECT LEASES RELATING TO CERTAIN  
AIRCRAFT AND OTHER RELATED EQUIPMENT, (B) ABANDON CERTAIN  
AIRCRAFT, ENGINES AND OTHER RELATED EQUIPMENT, (C) TRANSFER  
TITLE TO CERTAIN AIRCRAFT, ENGINES AND OTHER RELATED  
EQUIPMENT, AND (D) SATISFY THE SURRENDER AND RETURN  
REQUIREMENTS UNDER THE BANKRUPTCY CODE, AND (II) APPROVAL  
OF RELATED NOTICES AND PROCEDURES**

TO THE HONORABLE MARTIN GLENN:

Zions Credit Corporation (“Zions”), by and through its counsel of record, hereby responds to the *Debtors’ Motion for Order Pursuant to Sections 105, 363, 365, 554, and 1110 of the Bankruptcy Code and Bankruptcy Rules 6004, 6006, and 6007 for (I) Authorization to (A) Reject Leases Relating to Certain Aircraft and Other Related Equipment, (B) Abandon Certain Aircraft, Engines and Other Related Equipment, (C) Transfer Title to Certain Aircraft, Engines and Other Related Equipment, and (D) Satisfy the Surrender and Return Requirements under the Bankruptcy Code, and (II) Approval of Related Notices and Procedures* (the “Rejection Procedures Motion”), filed on behalf of the Debtors on January 25, 2010 [Docket No. 168], and respectfully represents as follows:

### **FACTUAL BACKGROUND**

1. Zions is owner participant with respect to a certain de Havilland DHC 8-202 aircraft bearing United States Registration Number N445YV (the “N445YV Aircraft”) pursuant to a certain Trust Agreement between Zions, as owner participant, and First Security Bank, n/k/a/ Wells Fargo Bank Northwest, N.A., as owner trustee (the “Owner Trustee”); and that certain Trust Indenture between the Owner Trustee and Fleet National Bank, as indenture trustee (the “Indenture Trustee”).

2. The Owner Trustee leased the N445YV Aircraft to Mesa Air Group, Inc. pursuant to that certain Lease Agreement dated as of September 27, 1996 between the Owner Trustee and Mesa Air Group, Inc.

3. Zions is owner participant with respect to a certain de Havilland DHC 8-202 aircraft bearing United States Registration Number N446YV (the “N446YV Aircraft”) pursuant to a certain Trust Agreement between Zions, as owner participant, and the Owner Trustee; and that certain Trust Indenture between the Owner Trustee and the Indenture Trustee.

4. The Owner Trustee leased the N446YV Aircraft to Mesa Airlines, Inc. pursuant to that certain Lease Agreement dated as of December 12, 1996 between the Owner Trustee and Mesa Airlines, Inc.

#### **PROCEDURAL BACKGROUND**

5. On January 25, 2010 the Debtors filed the Rejection Procedures Motion seeking entry of an order to establish procedures for giving notices of rejection regarding certain leases of aircraft, engines and related equipment and procedures for satisfying Debtors' surrender and return requirements under 11 U.S.C. § 1110(c).

6. On February 2, 2010, the following parties in interest filed Objections to the Rejection Procedures Motion (the "Objections"):

- a. Bank of Hawaii Leasing, Inc. [Docket No. 212]
- b. M&T Bank [Docket No. 218]
- c. Integra Bank, N.A. and IBNK Leasing Corp. [Docket No. 220]

#### **ARGUMENT**

7. Zions joins in the Objections and the arguments set forth therein and on that basis requests that the Rejection Procedures Motion be denied.

#### **RESERVATION OF RIGHTS**

8. Zions reserves its right to further object to the Rejection Procedures Motion on any and all grounds prior to any hearing on the Rejection Procedures Motion.

[Remainder of page intentionally left blank]

WHEREFORE, Zions Credit Corporation respectfully requests that the Court deny the relief requested in the Rejection Procedures Motion and grant such other and further relief as the Court deems just and equitable.

Dated: February 2, 2010

OLASOV + HOLLANDER

By: /s/ Rachel L. Hollander  
Rachel L. Hollander, Esq.  
1325 Avenue of the Americas  
27<sup>th</sup> Floor  
New York, New York 10019  
Telephone: 212-763-8416  
Facsimile: 212-763-8414  
Email: [RHollander@olasov.com](mailto:RHollander@olasov.com)

CALLISTER NEBEKER &  
McCULLOUGH

By: /s/ Carolyn Montgomery  
T. Richard Davis, Esq.  
Carolyn Montgomery, Esq.  
10 East South Temple, Suite 900  
Salt Lake City, UT 84133  
Telephone: (801) 530-7300  
Facsimile: (801) 364-9127  
Email: [trdavis@cnmlaw.com](mailto:trdavis@cnmlaw.com)  
[cmontgomery@cnmlaw.com](mailto:cmontgomery@cnmlaw.com)  
[Admission Pro Hac Vice Pending]

*Attorneys for Zions Credit Corporation*